

Message Text

PAGE 01 NATO 03500 302017Z

66

ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-07 DODE-00 TRSE-00 /020 W
----- 130948

R 301710Z JUN 75

FM USMISSION NATO

TO SECSTATE WASHDC 2499

UNCLAS USNATO 3500

E.O. 11652: N/A

TAGS: MARR NATO

SUBJ: COMPETITIVE EQUITY FOR US CONTRACTORS ON CONSTRUCTION
OUTSIDE THE US

REF: A. STATE 151754; B. USNATO 0137; C. USNATO 4812, 6SEP74;
D. USNATO 0805

SUMMARY: WE FEEL THAT PRESENT SYSTEM FOR NOTIFYING INTERESTED US FIRMS OF CONTRACT OPPORTUNITIES IN NATO INFRASTRUCTURE PROGRAM IS SATISFACTORY. IF IN WASHINGTON'S VIEW SYSTEM COULD BE IMPROVED BY ADDITIONAL REFINED GUIDANCE TO US EMBASSIES, WE WOULD HAVE NO OBJECTION. END SUMMARY.

1. WE ARE OF OPINION THAT PRESENT SYSTEM, AS CORRECTLY DESCRIBED PARA 1 REF A, IS EFFICIENT, RELIABLE AND FULLY SATISFIES US REQUIREMENTS. SINCE BIDDING PROCEDURES ARE INITIATED BY INDIVIDUAL HOST NATIONS AT TIME AND PLACE OF THEIR OWN CHOOSING, MOST EFFICIENT POINT OF CONTACT IN OUR VIEW IS LOCAL US EMBASSY. ITS DAILY CONTACT WITH HOST NATION AGENCIES AND REPRESENTATIVES WOULD SEEM TO PROVIDE BEST CHANNEL FOR SOLICITING ADDITIONAL INFORMATION, CLARIFYING ISSUES, AND PROVIDING REQUIRED US RESPONSES.

2. WE DO NOT CONSIDER ALTERNATIVE SYSTEMS THAT COULD BE ENVISAGED, SUCH AS: A) HOST NATION NOTIFICATION TO COMMERCE BY EMBASSIES IN WASHINGTON; B) HOST NATION NOTIFICATION DIRECT TO PRE-DETERMINED LIST OF US FIRMS, OR C) HOST NATION NOTIFICATION TO US MISSION NATO, AS IMPROVEMENTS TO PRESENT PROCESSES.

PAGE 02 NATO 03500 302017Z

DURES. OUR VIEW IS THAT (A) WOULD INDEED PROVE CUMBERSOME AND DIFFICULT SINCE IT WOULD RELY ON HOST NATION DIPLOMATIC NETWORKS RATHER THAN US, AND WOULD PROBABLY MAKE COMMERCE RESPONSIBLE FOR KEEPING INTERESTED US ELEMENTS SUCH AS USNATO, STATE AND

DEFENSE INFORMED. REGARDING (B), WE FEEL THIS WOULD BE HIGHLY UNDESIRABLE, REQUIRING CONSTANT MONITORING AND UPDATING OF LISTS AND OPENING WAY FOR REPEATED CLAIMS BY US FIRMS OF DIS-CRIMINATION IN COMPOSITION OF HOST NATION BIDDERS LISTS. FOR THESE REASONS WE SUPPORTED CONTINUATION OF PRESENT METHOD OF NOTIFICATION TO NATO EMBASSIES BY HOST NATIONS WHEN NEW BIDDING PROCEDURES WERE NEGOTIATED IN AC/4-D/2261 (REVISED).

3. RE (C) ABOVE, WE NORMALLY RECEIVE UNDER PRESENT SYSTEM INFORMATION COPIES OF HOST NATIONS' NOTICES TO EMBASSIES. IN EVENT WE HAVE NOT SEEN A NOTIFICATION BY LOCAL US EMBASSY TO COMMERCE, WE RELAY THE NOTICE FROM HERE TO INSURE THAT BID OPPORTUNITY IS KNOWN. REF B IS EXAMPLE OF THIS PROCEDURE. IN ADDITION, WHENEVER MAJOR NEW WORKS WHICH WE CONSIDER WILL BE OF INTEREST TO US FIRMS ARE AUTHORIZED BY NATO INFRASTRUCTURE PAYMENTS AND PROGRESS COMMITTEE, WE NOTIFY ALL CONCERNED OF EXPECTED FORTHCOMING BIDDING. REF C IS EXAMPLE OF SUCH ACTION. REF D ALSO CONTAINS FURTHER DISCUSSION OF THIS PROCEDURE.

4. WITH REGARD TO FRG SHELTER CONSTRUCTION PROGRAM REFERRED TO IN PARA 2 OF REF A, OUR INFORMATION IS THAT INDEED NO FIRMS BID FROM US, NOR DID ANY US OWNED OVERSEAS FIRMS BID OTHER THAN MARWAIS IN LUXEMBOURG. OUR UNDERSTANDING IS THAT NOTIFICATIONS OF TYIS PROJECT TO POTENTIAL US BIDDERS WERE NOT PROVIDED BECAUSE OF DEPARTMENT OF COMMERCE AND AMERICAN EMBASSY BONN ASSESSMENT THAT PREVIOUS LACK OF INTEREST ON PART OF US FIRMS IN PURELY CIVIL ENGINEERING TYPE WORK WOULD BE CONTINUED. FUTURE REPEITIONS OF THIS SITUATION COULD BE AVOIDED BY NOTIFY-ING EMBASSIES THAT SUCH PROJECTS SHOULD BE REPORTED IF ESTIMATED COST IS ABOVE A SPECIFIED THRESHOLD, AND INSTRUCTING EMBASSIES TO SEEK CLARIFICATION IF ESTIMATED VALUE OF PROJECT IS NOT CLEAR. EXPERIENCE GAINED ON THIS PROJECT SEEMS TO CONFIRM, HOWEVER, THAT PRESENT GUIDANCE IS APPROPRIATE, AND THAT COMPLAINTS REGISTERED IN CONNECTION WITH FRG PROJECT WERE NOT BASED ON REALISTIC ASSESSMENT OF SITUATION. US CONTRACTOR INTEREST APPEARS TO BE CENTERED ON MAJOR ELECTRONICS AND COMMUNICATIONS RELATED PROJECTS, AND WE CONTINUE TO ENJOY CLOSE AND FREQUENT UNCLASSIFIED

PAGE 03 NATO 03500 302017Z

COORDINATION WITH US FIRMS INTERESTED IN THESE WORKS.

5. IN SUMMARY, WE ARE SATISFIED THAT PRESENT ARRANGEMENTS WORK WELL, AND THAT SYSTEM AS PRESENTLY CONSTITUTED SHOULD BE CONTINUED. IF, IN WASHINGTON'S VIEW, SYSTEM COULD BE MADE MORE FAIL-SAFE BY REFINEMENTS TO GUIDANCE GIVEN TO US EMBASSIES, ALONG LINES INDICATED PARA 4 ABOVE, WE WOULD HAVE NO OBJECTION. STREATOR

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 18 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975NATO03500
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: NATO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750698/abbrzktv.tel
Line Count: 106
Locator: TEXT ON-LINE
Office: n/a
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: A. STATE 151754; B. USNATO 0137; C. USNATO 4812, 6SEP74; D. USNATO 0805
Review Action: RELEASED, APPROVED
Review Authority: greenet
Review Comment: n/a
Review Content Flags:
Review Date: 04 MAR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 MAR 2003 by PhilliR0>; APPROVED <03 FEB 2004 by greenet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COMPETITIVE EQUITY FOR US CONTRACTORS ON CONSTRUCTION OUTSIDE THE US
TAGS: MARR NATO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006